

PERMIT CHRONOLOGY

for
Thomas J. Peck & Sons, Inc.

Nephi Gypsum Mine

M/023/011

(December 11, 1992)

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| August 21, 1985 | Letter to Tony Peck from DOGM stating that he is mining without a permit. |
| November 28, 1985 | Received NOI from Thomas J. Peck & Sons, Inc., signed by Robert Steele. |
| December 12, 1985 | Memo to file - regarding air conservation committee meeting regarding Peck Mining operation. Purpose of meeting is to make a decision of a fine for mining under a Cease & Desist Order imposed by Air Quality. Decision made to impose a time frame to have sprinkling system installed. If Peck fails to meet schedule, a pre-arranged fine would be imposed. |
| December 30, 1985 | Received picture of area and hand drawn map. Also a request for variance for highwalls. |
| February 14, 1986 | Letter to Robert Steele, Thomas J. Peck & Sons - sending them the mining and reclamation plan review. Deficiencies need to be addressed. Time should be set up with John Whitehead to meet on issues. |
| February 25, 1986 | Memo to file - Field inspection made 2/9/86 to help facilitate review of NOI. Berm on Salt Creek needs maintenance work. The operation had encroached the stream and possible erosion of the north bank. |
| September 11, 1986 | Memo to file - Meeting between Air Quality and Peck Mining held 8/29/86. Dust control still a problem - Water system did not eliminate the problem. A road to be constructed to a location off to the side and close to the fines, then a water cannon placed there. Pile of fine gypsum but no market found for it yet. |
| September 15, 1986 | Memo to file - Field inspection made 9/10/86. No serious problems were noted, including Salt Creek. |

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| March 31, 1987 | Memo to file - Site inspection made 3/11/87 to help Mr. Bob Steele complete mine and reclamation plan. Observations: (1) road constructed and water cannon in place; (2) native seed mix planted in higher area of quarry; (3) slumping occurring until it reaches more stable angle of repose. If market is not found for fine gypsum, it will have to be graded down and covered with soil during reclamation. |
| March 31, 1987 | Letter to Robert Steele - Review of Mining and Reclamation Plan (MRP) and maps. Concurred with highwall and slope variance and with planting seed in mined out area. More information needed on reclamation of roads and stockpile area before approval can be granted. Requested information be submitted by May 1, 1987. |
| April 21, 1987 | Letter from Diane Strong informing DOGM of Air Quality Public Hearing in regard to Pecks mining operation. |
| June 29, 1987 | Certified letter sent to Robert Steele stating a revised MRP had not been submitted. |
| August 17, 1987 | Memo to Board - Request for Board to issue Order to Show Cause for failure to submit revised MRP. Permit history attached to memo. No response to DOGM letters and phone calls. |
| October 27, 1987 | Order to Show Cause issued by Board. Pecks to appear 12/3/87 for failure to obtain mining approvals. Signed by Greg Williams, Chairman of Board. *Note: On a copy of the Order to Show Cause is a note from Frank Filas - "Tony Peck refused to accept delivery of this letter." |
| December 4, 1987 | Letter requesting 1987 annual report. |
| January 11, 1988 | "Division Recommendation" in the matter of the Order to Show Cause issued to Thomas J. Peck & Sons, Inc. (1) File \$15,000 surety by 3/23/88; and (2) Peck to submit complete MRP by 3/23/88. If these conditions are not met then an |

Order for immediate cessation of operations. If this is not met by 5/25/88 then direct permanent cessation and reclamation will be issued.

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| January 20, 1988 | Certified letter to Mr. Steele giving tentative approval of MRP. Surety of \$15,000 to be posted prior to 1/28/88 then the Board Hearing will be canceled. |
| January 21, 1988 | Memo to File - January 14, 1988, Bob Steele met with DOGM in preparing MRP, acceptable to both parties. If the \$15,000 reclamation surety bond is posted prior to January Board, the Order to Show Cause will be canceled. |
| January 25, 1988 | Notice of Tentative Approval sent to newspapers for publication. |
| February 11, 1988 | "Order" issued - Hearing on 1/28/88 regarding the Order to Show Cause. Pecks had not submitted the \$15,000 surety. Ordered to submit \$15,000 surety by 2/16/88 or immediately cease all mining operation including all onsite transportation of stockpiled material. Order signed by Greg Williams 2/11/88. |
| February 11, 1988 | Letter from Deseret Bank, Lehi Office, stating a \$15,000 Standby Letter of Credit (LOC) #114 was issued for Thomas J. Peck & Sons. - Expiration Date 2/11/89. Letter stated that LOC could be extended for a consecutive five year period. |
| February 23, 1988 | Certified letter to Stephen Swenson, Deseret Bank acknowledging receipt of LOC. Sent bank the Collateral Bonding and Indemnity Agreement form to accompany the LOC. LOC accepted providing that it is extended by November 11 each year and increased to cover inflation (5 year schedule shown). |
| March 2, 1988 | Annual report for 1988 received. Tried to make phone call 3/6/89 regarding the annual report to verify if stockpiled material had been removed during 1988 and if so how much. No answer. |

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| March 22, 1988 | Memo to Board - Seeking concurrence on form and amount of surety. Executive Summary and reclamation estimate was attached. |
| May 4, 1988 | Collateral Bonding & Indemnity Agreement signed and in place. Greg Williams & Tom Peck signed. |
| May 4, 1988 | Letter to Tony Peck stating final approval of MRP and LOC was given by Board 4/28/88. Also reminding them to renew and update LOC by November 11 of each calendar year. |
| May 9, 1988 | Memo to file - Field inspection made 5/6/88. Recommendations to operator to repair Salt Creek berm; also stated slope stability concern. |
| May 20, 1988 | Letter to Robert Steele stating concerns of 5/6/88 inspection. |
| July 19, 1988 | Memo to file - Site inspection made 7/7/88 regarding holes in Salt Creek berm. No reply from operator since the letter telling him of this concern. Will follow up this visit with phone call. Photos taken of area and placed in file. |
| July 21, 1988 | Memo to file - Phone call made to Bob Steele's home at 10:30 p.m. 7/21/88. Phone call referencing letter. He said he couldn't remember if he received letter or not. Problem discussed. Mr. Steele stated he would construct sediment controls. |
| November 16, 1988 | Letter to Tony Peck stating that DOGM had received a new LOC #117 for \$15,300 replacing #114. |
| December 2, 1988 | Memo to file - Site inspection made 12/2/88 in regard to the berm problem. The main concern had been corrected. Another smaller hole could not be inspected due to snow cover. No activity noted during this inspection but recent activity had taken place probably within 24-48 hours. No environmental health or safety problems were noted. |

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| December 6, 1988 | Memo to file - Brief stop made by Holland Shepherd at the mine site. Berm had been repaired, snow cover prevented eastern berm to be inspected. |
| February 3, 1989 | Letter to Robert Steele requesting 1988 annual reports. |
| November 13, 1989 | Received letter from Deseret Bank stating new LOC #118 in place for \$15,600. Expires 2/11/91. |
| November 14, 1989 | Letter to Tony Peck stating new LOC #118 received from Bank. |
| January 5, 1990 | Letter to Robert Steele requesting 1989 annual report. |
| January 29, 1990 | Received annual report for 1989. |
| December 27, 1990 | Letter to Robert Steele requesting 1990 annual report. |
| February 28, 1991 | Received annual report for 1990. |
| April 24, 1991 | Memo to file - Phone call made to Deseret Bank in Lehi telling them no renewal was made on the LOC which expired 2/11/91. Mrs. Peck had called bank a couple of weeks prior and told them that the mine was no longer active. Sterling Orton released the surety to Pecks. The bank was formerly Deseret Bank but is now First Security. |
| May 3, 1991 | Certified letter to Thomas J. Peck stating that the surety release was made without Division concurrence and that immediate reinstatement of surety must be made in the amount of \$15,900. Deadline of 5/10/91 given. |
| May 20, 1991 | Irrevocable Standby Letter of Credit dated 5/16/91 for \$15,900 in place. Expires 5/9/92. |
| October 7, 1991 | Letter to Thomas J. Peck regarding permit transfer and release of \$15,900 surety. Permit to be transferred to Jack Dansie (operator - obtained lease from Robert Steele). Transfer form and Reclamation Contract sent along with |

letter. Surety cannot be released until new forms and surety are in place.

January 13, 1992

Letter to Robert Steele requesting annual report for 1991.

January 14, 1992

Letter from First Security Bank stating that LOC for \$15,900 will not be renewed. Will expire 5/9/92.

January 21, 1992

Certified letter to Thomas J. Peck stating the First Security Bank will not renew LOC, and a replacement surety must be in place before the LOC expires 5/9/92. Deadline of 5/1/92 given.

February 14, 1992

Received annual report for 1991.

April 28, 1992

Letter to Anthony Peck - Reclamation estimate of \$17,900 enclosed along with Reclamation Contract. LOC will be acceptable as long as it follows DOGM format (copy of format enclosed). Copy of letter sent to First Security Bank.

May 7, 1992

Letter to Anthony Peck - Transfer form sent.

May 13, 1992

Received Irrevocable Standby Letter of Credit from First Security Bank for \$17,900. Expires 5/8/92. Anthony Peck posted surety.

October 9, 1992

Letter to Mrs. Thomas Peck regarding verbal request to transfer mine permit to another operator - (Probably Anthony Peck or Jack Dansie, current operator of mine). Also a letter (drafted by DOGM) asking for Division help in getting the mine transferred, which Mrs. Peck could just sign, was enclosed. Another reminder that until the transfer is complete and a new surety in place and approved, the reclamation responsibility is still under Thomas J. Peck and Sons.